

# GLOSSARY

<b>Accrual Basis</b>	A basis of accounting in which transactions are recognized at the time they are incurred, not when cash is received or spent.
<b>Adopted Budget</b>	A plan of financial operations approved by the Board of Supervisors highlighting major changes made to the County Administrator's Advertised Fiscal Plan. The Adopted Budget reflects approved tax rates and estimates of revenues, expenditures, transfers and departmental goals, objectives, performance measures and initiatives.
<b>Appropriation</b>	An authorization granted by the Board of Supervisors to a specified organization, such as a unit of county government, to make expenditures and incur obligations for specific purposes. An appropriation is limited in dollar amount and when it may be spent, usually expiring at the end of the fiscal year.
<b>Appropriation Resolution</b>	A legally binding document prepared by the Department of Budget and Management which delineates by fund and department all expenditures and revenues adopted by the Board of Supervisors and reflected in the Adopted Budget.
<b>Assessed Valuation</b>	The official valuation of property as a basis for property taxation.
<b>Assessment Ratio</b>	The ratio of same year property assessments to property sales.
<b>Asset</b>	Resources owned or held by a government, which have monetary value.
<b>Authorized Positions</b>	Employee positions, which are authorized in the Adopted Budget, to be filled during the fiscal year.
<b>Available (undesignated) Fund Balance</b>	Funds remaining from the prior fiscal year that are available for appropriation and expenditure in the current year.
<b>Balance Sheet</b>	A financial statement disclosing the assets, liabilities and equity of an entity at a specified date.
<b>Base Budget</b>	Cost of continuing existing levels of service in the current budget year.
<b>Biennial Financial Plan</b>	A two-year financial and operational plan used for planning purposes and provided to residents, elected officials and interested parties for informational purposes.
<b>Biennium</b>	A period of two years and is often used to describe the period of two consecutive years for which the budget provides funding.
<b>BPOL</b>	Business, Professional and Occupational License (BPOL) refers to the license tax that is levied upon those doing business or engaging in a profession, trade or occupation in the county.

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<b>Bond</b>	Interest bearing certificates of public indebtedness used primarily to finance capital projects. They evidence the issuer's obligation to repay a specified principal amount on a set maturity date, together with interest at a stated rate, or according to a formula which determines that rate.
<b>Bond - General Obligation (G.O.)</b>	A type of bond backed by the full faith, credit and taxing power of the issuing government.
<b>Bond - Revenue</b>	A type of bond backed only by the revenues from a specific enterprise or project, such as a hospital or toll-road.
<b>Bond Rating</b>	An evaluation performed by an independent rating service of the credit quality of bonds issued. Ratings are intended to measure the probability of timely repayment of principal and interest on municipal securities.
<b>Budget</b>	An annual financial plan that identifies a plan of operation for the fiscal year. It states expenditures required and identifies revenues necessary to finance the plan.
<b>Budgetary Basis</b>	The basis of accounting used to estimate financing sources and uses in the budget. There are generally three bases: Generally Accepted Accounting Principles (GAAP), cash or modified accrual. Chesterfield County utilizes GAAP.
<b>Budget Calendar</b>	A schedule of key dates a government follows to prepare and adopt its budget.
<b>Budgetary Control</b>	The control or management of a government or enterprise in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.
<b>Capital Facilities</b>	Fixed assets, primarily buildings, acquired or constructed by the county.
<b>Capital Improvement Program (CIP)</b>	A Plan of acquisition, development, enhancement or replacement of public facilities to serve the county citizenry. The CIP is a reflection of the physical development policies of the county and typically encompasses a five-year period and includes projects in excess of \$100,000.
<b>Capital Outlay</b>	Assets of a substantial nature (\$5,000 or more) expected to have a useful life of two or more years. Examples include vehicles, large scanners and computer servers. For informational purposes, items costing over \$1,000 are also listed in Appendix C of this document.
<b>Carryover Funds</b>	Unexpended funds from the previous fiscal year that may be used to make payments in the current fiscal year. This may also be referred to as beginning Fund Balance.

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<b>Codified Ordinance</b>	An ordinance related to a specific code, such as the Code of the Commonwealth of Virginia or the Code of the County of Chesterfield.
<b>Constitutional Officers</b>	Elected officials whose positions are established by the Constitution of the Commonwealth or its statutes. (Clerk of the Circuit Court, Commissioner of the Revenue, Commonwealth's Attorney, Sheriff and Treasurer).
<b>Contingency</b>	A budgetary reserve established for emergencies or unforeseen expenditures.
<b>Contractual Services</b>	An object series that includes services rendered to private firms, individuals or other governmental entities; examples include utilities, rent, maintenance agreements and professional consulting services.
<b>Debt Ratio</b>	A comparative statistic illustrating the relationship between the issuer's outstanding debt and such factors as its tax base, population or expenditures.
<b>Debt Service</b>	The payment of principal and interest on borrowed funds through instruments such as bonds.
<b>Deficit</b>	The excess of an entity's liabilities over its assets or the excess of expenditures over revenues during a single accounting period.
<b>Department</b>	An organizational unit of government functionally unique in its delivery of service.
<b>Depreciation</b>	The decrease in value of physical assets due to use and the passage of time.
<b>Disbursement</b>	Payments made in cash.
<b>Effectiveness Measures</b>	A measure that depicts the degree to which performance objectives are being achieved; they are a measure of outcomes or program results.
<b>Efficiency Measures</b>	A measure that reflects the relationship between work performed and the resources required to perform it; they are often presented as unit costs.
<b>Encumbrance</b>	A reservation of funds for an anticipated expenditure prior to payment for the item. Funds usually are reserved or encumbered once a contract obligation has been signed.
<b>Enterprise Fund</b>	A self-supporting fund designed to account for activities provided to external customers, and supported by user charges; examples include the Utilities and Airport funds.
<b>Enterprise Resource Planning (ERP)</b>	ERP systems are software solutions designed to integrate an organization's business processes through the efficient use of common data elements and defined workflow processes. Primarily developed to serve the financial and human resource functions; the breadth of these systems now reaches beyond these core areas.

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<b>Expenditure</b>	The payment of cash upon the transfer of property or services for the purpose of acquiring an asset, service, or settling a loss.
<b>Fiscal Year</b>	The period of time used by the county for budgeting and accounting purposes. Chesterfield County uses the twelve-month period beginning on July 1st and ending June 30th.
<b>Fixed Assets</b>	Assets of a long-term nature that continue to be held or used, such as land, buildings, machinery, furniture and equipment.
<b>Fringe Benefits</b>	Contributions made by the county for its share of personnel costs for Social Security, pension, medical, and life insurance plans.
<b>Full-time Equivalent (FTE)</b>	Number of staff members, including full-time and part-time employees.
<b>Fund</b>	An accounting entity with a group of self-balancing accounts. Budgets for all funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).
<b>Fund Balance</b>	The amount of money or other resources remaining unspent or unencumbered in a fund at a specific point in time. A negative fund balance is sometimes called a deficit.
<b>GAAP</b>	Generally Accepted Accounting Principles are a common set of accounting conventions, standards and procedures.
<b>General Fund</b>	The General Fund is the primary location of all financial activity associated with ordinary operations of the county. Most taxes are accrued in this fund and transfers are made to the School, Debt Service, and Capital Projects funds as appropriate. The General Fund is the most important fund in the Chesterfield County budget.
<b>Goal</b>	A broad statement of purpose. A goal represents a framework of outcomes to be achieved on behalf of the customers and reflects realistic expectations for the unit providing the service.
<b>Grant</b>	Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose, activity or facility.
<b>Indicators</b>	Indicators measure how departmental objectives are being met.
<b>Infrastructure</b>	Public domain fixed assets such as roads, bridges, drainage systems, lighting systems, and similar assets that are immovable and are only of value to the governmental unit.
<b>Interfund Transfers</b>	The movement of monies between funds of the same governmental entity. These do not include loans, quasi-external transactions or reimbursements.

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<b>Intergovernmental Revenue</b>	Revenue from other governments, such as the state or federal government, in the form of grants, entitlements, shared revenue or payments in lieu of taxes.
<b>Internal Service Charges</b>	Charges to user departments for internal services provided by another governmental department.
<b>Internal Service Fund</b>	A fund used to account for the financing of goods or services provided by one department to another governmental department on a cost-reimbursement basis.
<b>Leadership Group</b>	An upper level group of county managers who determines and sets county policy, and makes decisions regarding the direction of the county. They were instrumental in the establishment of the county's Strategic Plan. The group includes the County Administrator, Deputy County Administrators, Police Chief, Fire Chief, Budget and Management Director, Human Resources Director and the County Attorney.
<b>Levy</b>	To impose taxes, special assessments or service charges for the support of government activities.
<b>Line-item Budget</b>	A departmental budget that specifies types of expenditures planned for the fiscal year.
<b>Long-Term Debt</b>	Debt that has a maturity of more than one year from date of issuance.
<b>Materials and Supplies</b>	An object series that includes expendable materials and operating supplies necessary to conduct departmental operations.
<b>Mission Statement</b>	A written description stating the purpose of an organizational unit (department or agency) and its function.
<b>Modified Accrual</b>	A basis of accounting in which revenues are recorded when susceptible to accrual, i.e. both measurable and available to finance expenditures of the fiscal period.
<b>Object of Expenditure</b>	An expenditure classification referring to the lowest and most detailed level of classification, such as utility charges, office supplies and furniture.
<b>Object Series</b>	An expenditure classification referring to the types of items purchased or services obtained (e.g., personal services, materials, supplies and equipment).
<b>Objective</b>	A statement of results to be achieved by a specific period of time in order to accomplish stated goals. Objectives describe specific measurable outputs within a designated time frame.
<b>Obligation</b>	An amount the county is legally required to satisfy through use of its resources, including liabilities and unliquidated encumbrances.
<b>Operating Expenses</b>	Proprietary fund expenses directly related to the fund's primary activities.

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<b>Operating Revenue</b>	Funds that the county receives as income to pay ongoing operations, such as taxes, fees for specific services, interest earnings and grant revenues.
<b>Ordinance</b>	A formal legislative enactment by the governing body of a municipality. If not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality.
<b>Output Indicator</b>	A unit of work accomplished as it pertains to performance measurement.
<b>Performance Indicator</b>	Specific quantitative and qualitative measures of work.
<b>Performance Measures</b>	Data collected to determine how effective or efficient a program is in achieving its goals and objectives. These are used to provide continuous feedback and identify where adjustments or corrective actions are needed.
<b>Personal Property</b>	A category of property, other than real estate, identified for purposes of taxation. It includes resident owned items, corporate property, and business equipment. Examples of personal property include automobiles, motorcycles, trailers, boats, airplanes, business furnishings and manufacturing equipment.
<b>Personal Services</b>	An object series that includes employee salaries, wages and fringe benefits.
<b>Productivity Measures</b>	Combines the dimensions of efficiency and effectiveness in a single indicator (better, cheaper, faster).
<b>Proffer</b>	Funds negotiated at the time of rezoning to help defray the capital costs associated with resultant development.
<b>Program</b>	A plan or unit under which action may be taken towards meeting an individual or set of goal(s) in the provision of a particular service. Examples of a county program include the Community Enhancement Program and Tax Abatement Program.
<b>Property Tax Rate</b>	The dollar amount applied to the assessed value of various categories of property used to calculate the amount of taxes to be collected. The tax rate is usually expressed as an amount per \$100 of assessed valuation.
<b>Public Service Property</b>	Property specifically designated for public service use, including property purchased or received as a gift by a government. Public Service Property includes real property and other property, such as computers, copiers and cash registers.
<b>Real Property</b>	Real estate, including land and improvements (building, fencing paving) classified for purposes of tax assessment.

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<b>Reserve</b>	A portion of a fund's assets that is restricted for a certain purpose and not available for appropriation.
<b>Resolution</b>	An order of a legislative body requiring less legal formality than an ordinance or statute.
<b>Resources</b>	Amounts available for appropriation including estimated revenues fund transfers and beginning balances.
<b>Retained Earnings</b>	An equity account that reflects the accumulated earnings of any enterprise or internal service fund.
<b>Revenue</b>	A source of income that provides an increase in net financial resources, and is used to fund expenditures. Budgeted revenue is categorized according to its source, such as local, state, federal or other financing sources.
<b>Service Levels</b>	A descriptive section in the budget narratives, detailing past performance and changes in the quality and quantity of services provided.
<b>Statute</b>	A written law enacted by a duly organized and constituted legislative body.
<b>Target Budget</b>	Desirable expenditure levels provided to departments for purposes of developing the coming year's recommended budget. The amount is based on the prior year's adopted budget.
<b>Taxes</b>	Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of all people.
<b>Technology Improvement Program (TIP)</b>	Plan to enhance the county's technological capabilities and service delivery through upgrades or replacement of existing software and hardware, including implementation costs. This three-year program includes projects costing in excess of \$15,000 or requiring more than four months of IST staff time to implement/complete.
<b>Total Quality Improvement (TQI)</b>	An employee-based, customer and team oriented approach to work, improvement, problem solving, and decision making. TQI depends upon individual employee commitment to improve work processes, through analysis and utilization.
<b>Unencumbered Balance</b>	The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.
<b>User Charges</b>	The payment of a fee for direct receipt of a public service by the party who benefits from the service.
<b>Workload Measures</b>	A measure, which indicates the amount of work performed, or the amount of services received. It is strictly a volume count or measure of inputs and outputs.